



2009-481-E

Matthew W. Gissendanner  
Senior Counsel

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November 19, 2009

**VIA HAND DELIVERY**

The Honorable Charles Terreni  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive (29210)  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RECEIVED  
NOV 19 2009  
PUBLIC SERVICE COMMISSION

RE: South Carolina Electric & Gas Company  
Request for Approval of Contract for Electric Service with Mars Petcare US, Inc.

Dear Mr. Terreni:

Pursuant to 26 S.C. Code Ann. Regs. 103-303, South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files and seeks approval of a Contract for Electric Service ("Contract") between SCE&G and Mars Petcare US, Inc. ("Mars Petcare") *nunc pro tunc* as of the effective date of the Contract. The Contract is effective October 8, 2009 and continues through October 8, 2014 unless an early termination is mutually agreed upon by the parties. The Contract is automatically extended thereafter until terminated by either party. Mars Petcare manufactures pet food at its Richland County facility and is contemplating an increase in production at that facility. According to Mars Petcare, this anticipated increase in production may result in the creation of 24 new jobs.

Due to the commercial sensitivity and proprietary nature of certain provisions of this Contract as well as the highly competitive nature of the industry in which Mars Petcare operates, the Company and Mars Petcare respectfully request that the Public Service Commission of South Carolina ("Commission") find that the Contract contains protected information and issue a protective order barring the disclosure of this agreement under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, 26 S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law. Pursuant to S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

(Continued . . .)

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Contract that protects from disclosure the sensitive, proprietary and commercially valuable information, while making available for public viewing non-protected information. We also enclose a copy of the unredacted Contract in a separate, sealed envelope and respectfully request that, in the event that anyone should seek disclosure of this unredacted Contract, the Commission notify SCE&G of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Contract from disclosure.

Enclosed are the following:

- (1) A true and correct copy of the original Contract in a sealed envelope marked "CONFIDENTIAL." Each page of the Contract is also marked "CONFIDENTIAL."
- (2) Ten copies of a redacted copy of the Contract for filing and public disclosure.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with a redacted copy of the Contract for its records. Additionally, SCE&G will make the original, unredacted copy of the Contract available to ORS for its review.

Thank you for your assistance and consideration of this matter. If you have any questions, please do not hesitate to contact us at your convenience.

Very truly yours,



Matthew W. Gissendanner

MWG/kms  
Enclosure

cc: Shannon Bowyer Hudson, Esquire  
(via hand delivery)

ORIGINAL

South Carolina Electric & Gas Company  
CONTRACT FOR ELECTRIC SERVICE

This original  
to be returned  
to SCE&G Company

Effective Date: 10-08-2009 Contract No.: E0209049

THE PARTIES HEREIN NAMED AGREE TO THE FOLLOWING

Customer's Legal Name: Mars, Inc.

Trade or Local Name: Mars Petcare US, Inc.

Premises Served: 1720 Pineview Road, Columbia SC 29209

Service Address: 1720 Pineview Road, Columbia SC 29209

Billing Address: 1720 Pineview Road, Columbia SC 29209

Initial Term Ends: 5 Years from Effective Date; Service Date: 10/02/03

Minimum Notice of Termination: 12 Months after initial term.

Supply: 115 Kv Service Method: Company owned customer substation

Delivery: 13,800 Volts, 3 Phase, 4 Wire, Wye Connected

Point of Service: Secondary terminals of substation transformer

Metered Voltage: 120 Volts; Meter Location: Relay building in substation

Billing Rate: 23 Contract Demand: 1,500 kW Maximum Capacity: 7,000 KVA

Build-up Period: N/A SIC: 2047

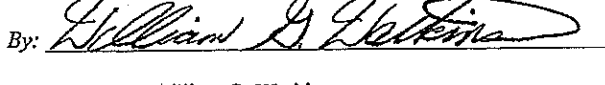
Special Provisions/Extra Facilities/Explanations: (Acct. No. 5 2100 8169 7655) This Contract supersedes the Contract (Contract Number E0302069) for Electric Service dated July 1, 1997, and all other previous oral and written contracts/amendments covering the same service. The purpose of this Contract is to add a price discount for the Customer's expansion as detailed in Exhibit "A".

This contract incorporates all general, standard, and special terms hereafter or incorporated by reference, and supersedes all previous oral or written agreements/contracts covering the same service.

MARS, INC. Petcare US, Inc.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

By: 

By: 

Print: Hannah Heuser

Print: William G. Watkins

Title: Commercial Capital Purchasing

Title: Manager - Large Customer Accounts & Services

CLP #	E0209049 ✓
RCVD	


## EXHIBIT "A"

Customer is contemplating an increase in production at its Columbia, SC facility. This anticipated growth includes the creation of 24 new positions

**REGULATORY APPROVAL:** Company and Customer hereby agree to keep the terms of this Contract confidential. The Customer agrees to support the Company in its request to the SC Public Service Commission to file this Contract under seal. This Contract is subject to the approval of the Commission, and any and all provisions herein are subject to change by orders of the Commission.

Approval Initials

  
For Customer

  
For Company

## STANDARD CONDITIONS

**Supply and Use:** Company agrees to sell and Customer agrees to buy from Company all purchased electric energy, capacity, related transmission services and any related distribution services required by Customer for use on its premises covered hereunder. Resale by Customer of energy, capacity, related transmission or related distribution services is not permitted.

**Creditworthiness:** Company, in order to satisfy itself of the ability of the Customer to meet its obligations under the contract may conduct periodic reasonable credit reviews in accordance with standard commercial practices. Customer agrees to assist in these reviews by providing financial information and at the request of the Company, will maintain such credit support or surety including but not limited to, an unconditional and irrevocable letter of credit to provide adequate security for protection against the risk of nonpayment.

**Service Application, Deposit and Release:** Prior to receiving service, Customer or its Agent must: (a) Ensure that an application for service is made to Company, either in person at one of Company's commercial offices or through the Company representative coordinating the service arrangements; (b) Post a service deposit with Company (as determined by Company in accordance with S.C. Public Service Commission regulations), unless waived by Company in favor of other satisfactory assurance for payment of bills; and (c) Ensure that any inspections required by governmental authorities having jurisdiction are completed and notice thereof is given to the Company.

**Commencement of New Service:** Company and Customer shall make every reasonable effort to have their respective facilities ready for service by the **Service Date** stated on Page 1. If conditions should change, the affected party shall immediately notify the other.

**Assignment:** Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion.

**Term:** This Contract shall commence on the **Effective Date** (the date on which this contract is fully executed) and shall continue for the full **Initial Term**, unless an early termination is mutually agreed upon. Thereafter, it will extend automatically until terminated by either party giving the other a written **Minimum Termination Notice**. Billing for service rendered hereunder shall commence on the **Service Date** (the date customer contracts for service under the tariff applicable to this contract) or the date that service is first made available, whichever is later, or in accordance with terms stated under **Special Provisions**.

**Termination:** Should Customer terminate this contract and disconnect service for any reason, either during the initial term or any extension thereof unless waived as provided for herein, Customer shall pay to the Company a facilities termination charge equal to (a) the total installed cost of facilities dedicated solely for serving Customer, (b) less any Customer contribution to construction, (c) less accumulated depreciation of the facilities funded by Company, (d) less salvage value of all facilities dedicated solely for serving Customer, (e) plus the cost of removal (including any associated environmental investigation/remediation costs related to a spill or release of hazardous substances caused by Customer or those paid or incurred by the Company which were not the result of negligence on the part of the Company), all as determined by Company in accordance with its standard accounting practices; provided, however, that the termination charge shall not be less than zero. Customers who terminate prior to the expiration of the initial term or any extension thereof may also be required to pay to Company a demand termination charge equal to 90% of the maximum demand set during the term times the demand rate in effect at the time of termination times the number of months remaining in the contract period.

Approval Initials

For Customer

For Company

Company may waive a portion or all of the termination charges where (1) a successor contract is executed prior to termination of this Contract, or (2) Customer is able to furnish Company with satisfactory evidence that a successor customer will occupy the premises within a reasonable time and contract for substantially the same service facilities. If deregulation should occur during the term of this contract, the above demand termination charge, after deregulation, will be determined by appropriate governing authority(ies) rules at that time. The termination charges above shall not preclude additional termination charges approved by the SCPSC or imposed by law.

**Impaired Service:** Customer shall be responsible for installing and maintaining on its system such protective equipment as necessary for protecting its equipment from single phase conditions, momentary interruptions or voltage fluctuations arising from conditions on its system or from Company's supply lines. Customer shall not operate its equipment of such nature and in such manner as to impose voltage flicker, surges, or harmonics on Company's system that adversely affects the Company's system or its service to other Customers. Adverse conditions verifiable as of Customer origin shall be corrected promptly by Customer or upon Notice Company may discontinue service until the conditions are corrected. Customer agrees to keep Company equipment unencumbered and accessible at all times.

**Load Increase:** If Customer contemplates a load increase which may exceed the **Maximum Capacity** stated on Page 1, Customer shall give Company written notice of planned increase, with sufficient lead time for Company to enlarge its facilities. In such cases this Contract may be amended by mutual consent of the parties to reflect any changes in the service characteristics, applicable charges or conditions of service.

**Facility Relocation:** Should Customer request Company to relocate any of its facilities, or take any action which will require Company to relocate its facilities, Customer shall reimburse Company for the costs incurred.

**Hold Harmless:** Company and Customer do respectively assume full responsibility for the maintenance and operation of the facilities owned and/or operated by each, and each shall indemnify and except as hereafter limited, shall hold the other harmless from any loss resulting from bodily injury (including death) or damage of property arising directly or indirectly out of any negligent or willful act or failure to act on the indemnitor's part in the installation, maintenance, operation, replacement and/or removal of the facilities owned and operated by each. Neither party shall be liable to the other in any event, whether in contract, tort or otherwise, for any loss of revenue, profits, use of production, costs of capital or purchased or replacement power, interest, business interruption, claims of customers or any other incidental, indirect or consequential damages of any nature whatsoever. Customer(s) acknowledge(s) the presence of overhead and/or underground power lines and understands that contact with them could cause serious injury or death.

**South Carolina Public Service Commission:** This Contract, the **Billing Rate** referenced on Page 1, and all services rendered hereunder, are subject to the Company's "General Terms and Conditions" as approved by the Commission, and to the "Rules and Regulations" of the Commission, as the foregoing now exist or may be amended in the manner prescribed by law. The billing Rate and General Terms and Conditions are attached and made a part hereof; Rules and Regulations are made a part by reference and are available upon request. This contract is specifically intended to survive deregulation or retail access.

**Bold Print Terms:** Bold Print terms reference the corresponding completed blanks on Page 1.

Approval Initials

For Customer

For Company